REMARKS/ARGUMENTS

Claims 2, 4-14 and 16-23 remain unchanged. Claim 3 was amended to emphasize that the invention provides a unit that functions simultaneously as a mobile phone and magnetic stripe card reader.

In the office action of 6/29/2007 it is stated that claims 1, 2 and 9-15 stand rejected under 35 U.S.C. 103(a) as being allegedly unpatentable over Hatakeyama(US2002/0002507) in view of Hofmann(US 6.311.241) and in view of Benson(US2002/0196127).

We believe there is a mistake in this statement because claim 1 was previously canceled. The office action continues with the discussion of claim 3, which now includes the limitations of base claim 1 and previously allowed claim 3.

Initially, it is respectfully suggested that the cited Benson (US2002/0196127) document is not effective prior art, since its publication date is December 26, 2002, wherein the subject matter of the present invention is disclosed in and claims the priority date of a provisional application 60/422,384 filed on October 30, 2002. Several other documents by Benson were cited in the Information Disclosure Statement filed on October 28, 2003 and were incorporated in the present application (See Fig. 2 (Prior Art)).

In any case, the contention that claim 3 is unpatentable over Hatakeyama(US2002/0002507) in view of Hofmann(US 6,311,241) and in view of Benson(US2002/0196127) is traversed and it is respectfully suggested that this rejection does not meet the Patent Office's burden of providing prima facie showing of unpatentability for the following reasons.

Although, Hatakeyama (US2002/0002507) teaches connecting a card reader to a mobile phone, Hatakeyama's card reader is not a magnetic stripe card reader. Therefore Hatakeyama does not teach connecting a magnetic stripe card reader to a mobile phone.

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In particular, as was stated in the office actions of 6/29/07 and 3/15/07 by the Examiner, Hatakeyama does not teach connecting a magnetic stripe card reader to a SIM card slot of the mobile phone. Furthermore as was stated in the office action of 6/29/07 and the previous office action of 3/15/07, Hatakeyama lacks teaching of a CPU, memory, a SIM card connected to a SIM card slot and "a first application program associated with said memory and said CPU and being adapted to receive and transmit instructions from said magnetic stripe reader module to said wireless mobile device and the reverse". It was argued in the office action of 6/29/07 that a CPU, memory and an associate application program are well known in the art. Applicant respectfully disagrees with this statement because although a CPU and a memory may be well known components, there is no evidence that this particular first application program is well known in the art. Actually, there is no evidence of such an application in Hatakeyama, especially since there is no magnetic stripe card reader from where the instructions are received and transmitted.

Hoffman teaches transferring programs from a plug-in-device (card) with a SIM interface to a mobile phone (see column 2, lines 15-25 and 58-59). The plug-in-device (card) is adapted to a slot of the phone, which in the case of a GSM phone is a slot for receiving a SIM card (column 3, lines 25-33). In other words, Hoffman teaches connecting a card to a SIM card slot. It is certainly well known that a card can be connected to a SIM card slot. However, a card is not a magnetic stripe card reader and it is not obvious to a person of ordinary skill that instead of a card one can connect a card reader to the SIM card slot. Therefore, Hoffman does not teach or suggest connecting a magnetic card reader to a SIM card slot. Accordingly, the invention of claim 3 is patentably distinct from Hofman alone and there is no motivation or suggestion to combine Hofman with Hatakeyama, since Hofman discusses connecting a card to a mobile phone and Hatakeyama discusses connecting a card reader to a mobile phone.

Furthermore, claim 3 of the present invention differs from Hoffman's teaching because in addition to connecting a magnetic stripe reader to a SIM card slot of the mobile device, the reader module in the present application has the ability to receive and read information stored in a magnetic stripe and then transmit the information to an entity via

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the wireless network. In other words, the invention of claim 3 provides a unit that functions simultaneously as a mobile phone (i.e., transmits information via the wireless network) and as a magnetic stripe reader (i.e., reads information from the magnetic stripe). Contrary to that, Hoffman's teachings make the electronic unit incapable of operating as a phone during the time the programs are transferred from the plug-in-card to the phone. This is very clearly indicated in FIG. 1 of Hoffman at the Yes/No node between blocks 20, 30 and 40, and the corresponding description in column 2, lines 58-62. According to this description if it is determined that the card is not a programming card, but rather a SIM card, then the normal phone operation commences. If it is determined that the card is a programming card, then a program is transferred to the phone. It was argued in the office action of 6/29/07 that a phone with multiple SIM slots, as taught by Benson would allow the phone to function normally as a phone i.e., be connected to the SIM card while the plug-in-card is connected. However, the present invention differs from such hypothetical combination because it does not require multiple SIM slots to simultaneously function as a mobile phone and as a magnetic stripe reader. Both the SIM card and the magnetic stripe card reader are connected to the same SIM slot. Therefore, it is respectfully suggested that Benson cannot be used to modify a random and hypothetical combination of Hofman with Hatakeyama in the way described in claim 3

Furthermore, even if this random combination was to be undertaken, the invention of claim 3 would still be different from such an arbitrary combination because neither Hofman, nor Hatakeyama nor Benson teaches a magnetic stripe card reader electrically connected to a SIM card slot of the wireless mobile device and a first application program associated with the memory and the CPU and being adapted to receive and transmit instructions from the magnetic stripe reader module to the wireless mobile device and the reverse.

Accordingly it is believed that claim 3 is patentably distinguishable from the combination of Hofman with Hatakeyama and further with Benson and the allowability of this claim should be reinstated

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Claims 2, 4-14 depend directly or indirectly upon claim 3 and since claim 3 is allowable

they should also be allowable. Claims 16-23 were previously allowed.

It is believed that all of the pending claims have been addressed in this paper. Failure to

address a specific rejection, issue or comment, does not signify agreement with or concession of that rejection, issue or comment. Nothing in this paper should be construed

as an intent to concede any issue with regard to any claim, except as specifically stated in

this paper, and the amendment of any claim does not necessarily signify concession of

unpatentability of the claim prior to its amendment.

In view of the above, it is submitted that all claims 2-14 and 16-23 are in condition for

allowance. Reconsideration of the claim objections is requested and allowance of all

claims at an early date is solicited.

If this response is found to be incomplete, or if a telephone conference would otherwise

be helpful, please call the undersigned at 617-558-5389

Respectfully submitted.

Aliki K. Collins, Ph.D.

Reg. No. 43,558

AKC Patents, 215 Grove Street, Newton, MA 02466

TEL: 781-235-4407, FAX: 781-235-4409

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Name: Aliki K. Collins, Ph.D. Signature

I hereby certify under 37 CFR 1.10 that this correspondence is being electronically deposited on the date indicated above and its addressed to the Commissioner for Patents, P. O. Box 1450, Alexandria, VA 22313-1450